

RIVER PLACE EAST HOUSING CORPORATION (RPEHC)

MINUTES FROM THE 39TH ANNUAL MEETING

WEDNESDAY, MARCH 23, 2022

In Attendance – Board of Directors

- Hassan Al Shazly, President
- Pia Duryea, Vice President
- Cassondra Crawford, Treasurer
- Nina Yeh, Secretary
- Karim Benni, Director

Regrets - Board of Directors

- Yasmine Bandali, Director
- Anthony Priest, Director

In Attendance – Property Management, Legal Counsel, and The League of Women Voters

- Roshell Reneau, General Manager
- Leah Issa, Assistant General Manager
- Ursula Burgess, Legal Counsel from Rees Broome, P.C.
- Marjorie Hobart, Representative from The League of Women Voters - Arlington Council

I. Call to Order

The 39th Annual Meeting of the River Place East Housing Corporation was scheduled to convene on Wednesday, March 23, 2022. However, a quorum of the shareholders was not achieved at the meeting's schedule start time. Therefore, a Board of Directors Informational Session was held starting at 6:36 p.m.

II. Proof of Notice

Ms. Reneau certified that notice for the 39th Annual Meeting was sent to all shareholders of record on Wednesday, February 16, 2022. A copy of the notice was presented electronically.

III. Approval of Prior Annual Meeting Minutes

Board Secretary Nina Yeh read the minutes from the 38th Annual Meeting dated April 21, 2021. Karim Benni then *moved* to dispense with the reading of the minutes; and to approve the 38th Annual Meeting minutes dated April 21, 2021 as presented. Cassondra Crawford *seconded*, and the motion carried unanimously.

IV. Introductions

Board President Hassan Al Shazly introduced the current members of the Board of Directors and the members of the property management team.

V. Eligibility for Board Service

M.J. Schmelzer reported an amendment was made to the cooperative's bylaws regarding eligibility for Board service, as it was determined that a financial vulnerability existed that needed to be managed. Bylaws Article III, Subsection 2 was amended to clarify that a non-person was automatically ineligible to run for the Board of Directors. Corporations are not permitted to hold a Board seat at River Place East.

VI. Candidate Introductions

The Board of Directors seats held by Cassondra Crawford, Pia Duryea, and Yasmine Bandali were up for election. The shareholders who submitted their candidacy for the Board of Directors included Cassondra Crawford, Patricia Fairman, Anand Hemraj, and Sanya Sovran. Each candidate was granted a few minutes to relay information about their professional background, and why they decided to run for the Board of Directors.

VII. President's Report

Board President Hassan Al Shazly thanked the members of the Board and the management team for their service to River Place East. Former General Manager Andre Baker left River Place East in 2021. However, Ms. Reneau, Ms. Issa and the staff have served the property quite well since that time, and worked to regain any knowledge lost by the departure of Mr. Baker.

Mr. Al Shazly presented a list of accomplishments achieved since the date of the 2021 Annual Meeting:

1. Leah Issa and Roshell Reneau were hired to serve as Assistant General Manager and Manager of the cooperative, respectively. Additionally, Allistair Powell was hired to serve as the Assistant Chief Engineer.
2. The computer systems were upgraded for the management office and front desk.
3. Additional security cameras were installed, raising the total number of cameras from five to 22.
4. Additional lighting was installed in the loading dock.
5. The HVAC unit and pump that serves the vestibule were replaced.
6. The cooperative was able to increase income and lower expenses by identifying underutilized storage units; collecting storage income; and lowering the trash (refuse) bill.
7. Starry Internet was approved for the building and later installed, with interested residents able to retain the service for a flat rate per month.
8. Events were held to help foster a greater sense of community at River Place East.
9. A financial audit was performed in January 2022. No issues were noted. The next audit will be conducted in the next two months to ensure the cooperative's finances are in order.

Upcoming projects for the year include:

1. The roofing project which is anticipated to cost approximately \$1 million, and which will be spread over a few years to minimize the financial impact and avoid the need for a special assessment.
2. Replacement of the cooling tower to be performed in spring 2022 at an approximate cost of \$160,000.
3. Hallway maintenance.
4. Crown molding repair.
5. Common area painting.
6. Minor touch-up work.

VIII. Treasurer's Report

Board Treasurer Cassondra Crawford thanked the Board of Directors and the new management team for operating with fiscal responsibility. Ms. Reneau and Ms. Issa worked to identify ways to save the cooperative money while enhancing security. Historically, River Place East has had the lowest increase in cooperative fees amongst the four River Place buildings. However, the co-op fees were increased by 3% as a result of a 2.5% increase in the River Place Owners Association (RPOA) fee; a higher rate of inflation; COVID-related expenses; enhanced security; and preparing for future reserve projects. The Board of Directors and the management team will continue to look for cost-saving opportunities for the coming fiscal year.

IX. River Place Owners Association Report

Board Secretary Nina Yeh reported the following information:

- A. The OA Board approved opening the fitness center for use, with every other machine to be used to ensure proper distancing. Additionally, the user capacity for the fitness center was expanded from 28 total users to 30 users. The OA Board is also exploring the cost of extending the fitness center hours to pre-COVID levels which would require hiring and training new staff members.
- B. The financial management contract with FirstService Residential (FSR) was extended for one year. However, there has been some dissatisfaction with FSR, and the West Building plans to replace them.
- C. The OA Board approved replacement of the pool pass, with the pool to open on time for the 2022 season.
- D. The OA Board deferred a decision concerning a harmonizing of the landscape proposal with the Rosslyn BID.

X. Shareholders' Forum - Part I

Management and the Board of Directors responded to questions and comments from shareholders:

- Inquiring if shareholders will receive the opportunity to review the roofing project bids, and how that process would work. Mr. Benni stated the bids can be shared with shareholders upon request.
- Asking why there is only one meeting per year. Mr. Benni explained the cooperative has one Annual Meeting per year, but holds Board Meetings on a monthly basis.
- Inquiring when the improvements discussed during the 2021 Annual Meeting will be performed - namely, the hallway carpeting repairs/replacements. Ms. Reneau stated common area projects are performed according to the reserve study. ***The reserve study will be uploaded to the new website once the site is ready for use. In the meantime, Ms. Reneau will contact the inquiring shareholder to provide dates for upcoming projects.***
- Requesting information about expiration of the land lease that is anticipated in 2052. Mr. Benni stated no new information has come forward since the land lease survey was conducted. However, the Land Lease Committee (comprised of representatives from each River Place entity) continues to work on the matter. Ms. Crawford stated information will be presented as the committee moves forward.
- Asking how shareholders can participate in the Annual Meeting. Mr. Benni stated any shareholder in good standing can participate in the Annual Meeting. Ms. Reneau encouraged shareholders to submit any questions via the chat feature, but also offered to unmute any shareholder who wished to speak.
- Reporting dogs are barking in surrounding units, and inquiring if management is checking the support animal requests.
- Noting there are common area doors, hallways, and stairwells that need to be painted. Ms. Reneau repeated Mr. Al Shazly's comment about upcoming common area projects.
- Inquiring about the cooperative's reserve funds balance. Ms. Crawford stated the total stood at approximately \$740,000 as of the meeting date.

(Cooperative Attorney Ursula Burgess joined the meeting at this juncture.)

- Asking about the next steps for receiving the voting results since a quorum of the shareholders (33.3%) was not achieved. Attorney Burgess explained, if a quorum of the shareholders is not achieved during an Annual Meeting, the meeting will be adjourned to another date no more than 20 days after the original Annual Meeting date. The quorum requirement for the rescheduled Annual Meeting is one-fifth (20%) of the total number of shares represented in person or by proxy.

XI. Proof of Quorum

At this juncture, Ms. Reneau received word from The League of Women Voters that 34% of shareholders were represented for the 2022 Annual Meeting. Therefore, a quorum of the ownership was achieved.

XII. Shareholders' Forum - Part II

Management and the Board of Directors responded to questions and comments from shareholders:

- Asking if the financials spreadsheet displayed on screen could be distributed to shareholders. Mr. Benni and Ms. Crawford replied in the affirmative.
- Requesting monthly project progress meetings to include financial performance information. Ms. Crawford stated such updates are provided during the monthly Board Meetings which are typically held on the third Wednesday of each month. Shareholders are encouraged to attend to observe the meeting, and to raise questions and comments during the Shareholders' Forum.
- Inquiring if the addendum results will be presented relative to the smoking vote. This information would be presented by The League of Women Voters.

XIII. Announcement of Election Results

Marjorie Hobart, representative from The League of Women Voters - Arlington Council, presented the results of the cooperative's 2022 election. A total of 34.66% of shareholders voted, thereby establishing quorum.

The following were the results of the Board election:

- Cassandra Crawford received 314,072 vote shares.
- Patricia Fairman received 270,727 vote shares.
- Anand Hemraj received 184,629 vote shares.
- Sanya Sovran received 105,325 vote shares.

In relation to the smoking referendum, a total of 104,158 shareholders voted in favor of the first question while 6,804 voted in opposition. On the second question, a total of 95,329 voted in favor while 11,617 voted in opposition. ***The League of Women Voters will complete a report containing the official numbers and email the report to management on Thursday, March 24, 2022.***

XIV. Shareholders' Forum - Part III

Management and the Board of Directors responded to questions and comments from shareholders:

- Raising concerns about cleaning of the building.
- Asking that shareholders receive an announcement in advance of each monthly Board Meeting.
- Reporting the ceiling in her second floor unit has an ongoing issue which has not been addressed. ***The management team and Mr. Benni will schedule a date and time to visit the shareholder's unit.***
- Noting the common area carpeting needs to be cleaned. ***Mr. Benni and the management team will look at the carpeting on the second floor.***
- Asking about the cost to grant all residents the ability to control the temperature in their unit. Mr. Benni stated the previously obtained numbers indicated the cost to configure all of the units for individualized temperature control would be about \$2 million. ***He added the matter can be included in the next reserve study if a survey of the shareholders indicates there is sufficient interest,*** with the understanding that the cost will likely be more expensive due to current pricing and global supply chain shortages.
- Inquiring if shareholders can meet in Executive Session with the Board to discuss unit-specific concerns. Mr. Al Shazly encouraged shareholders to participate in the process of finding solutions to issues within the cooperative. Ms. Reneau announced maintenance-related matters should be emailed to Maintenance@RiverPlaceEast.com. Shareholders can reach the Board President by emailing President@RiverPlaceEast.com, or the Board of Directors by emailing Board@RiverPlaceEast.com. ***Ms. Reneau will send the contact emails to shareholders for their information.***
- Seeking information about the cooperative's extermination service. Ms. Reneau stated the exterminator services the building about once per week - usually on a Thursday. Those who would like to receive service for their unit should email Maintenance and the Board of Directors.
- Asking about the timeline for the website upgrade. Ms. Reneau estimated the new website will launch in early April 2022.
- Reporting the air coming through her vents is quite dirty. Ms. Reneau stated new chemicals have been purchased, and maintenance will soon be scheduled to perform a bi-annual convector cleaning.

XV. Adjournment

The 39th Annual Meeting was adjourned at 8:00 p.m.

The Professional Documents
Service

These minutes were respectfully drafted and submitted by: